

13. FPRA/FPRR

13.1 Summary

Forward Pricing Rate Agreements (FPRAs) and Forward Pricing Rate Recommendations (FPRRs) are sometimes used in pricing actions for a set period of time. The FPRA/FPRR screens allow you to enter and view information pertaining to the establishment of forward rates and factors for both recommendations and agreements.

When you select the FPRA/FPRR function, Screen 1 (Figure 13.4) opens on your monitor. You can select Open or New (Section 6). The procedures for using these options are discussed below.

Open



Select Open to view or edit an existing record. (Click on Open in the drop-down list of File options or click on the Open icon.) When you do, the FPRA/FPRR Search pop-up window (Figure 13.1) appears on your monitor. This window gives you the option of searching for a particular CAGE Code or Contractor Name. Select the circle in front of the type of search you want, and the cursor will appear in the corresponding text box. For CAGE Code, type in the entire code; for Contractor Name, type in the first (up to 5) letters of the contractor's name. Then click **OK**.

FPRA/FPRR Search

Search By ...

☒ CAGE Code

☐ Contractor Name

OK Cancel

Figure 13.1 FPRA/FPRR Search Pop-Up Window

When you click **OK**, the application searches for records that match your information. One of two things will happen as a result of the search: matching records will be found or no matching records will be found. If matching records are found, they are displayed in a Search Results window (Figure 13.2) which pops up on your monitor. Select the record you want and then click on **OK** to display the information.

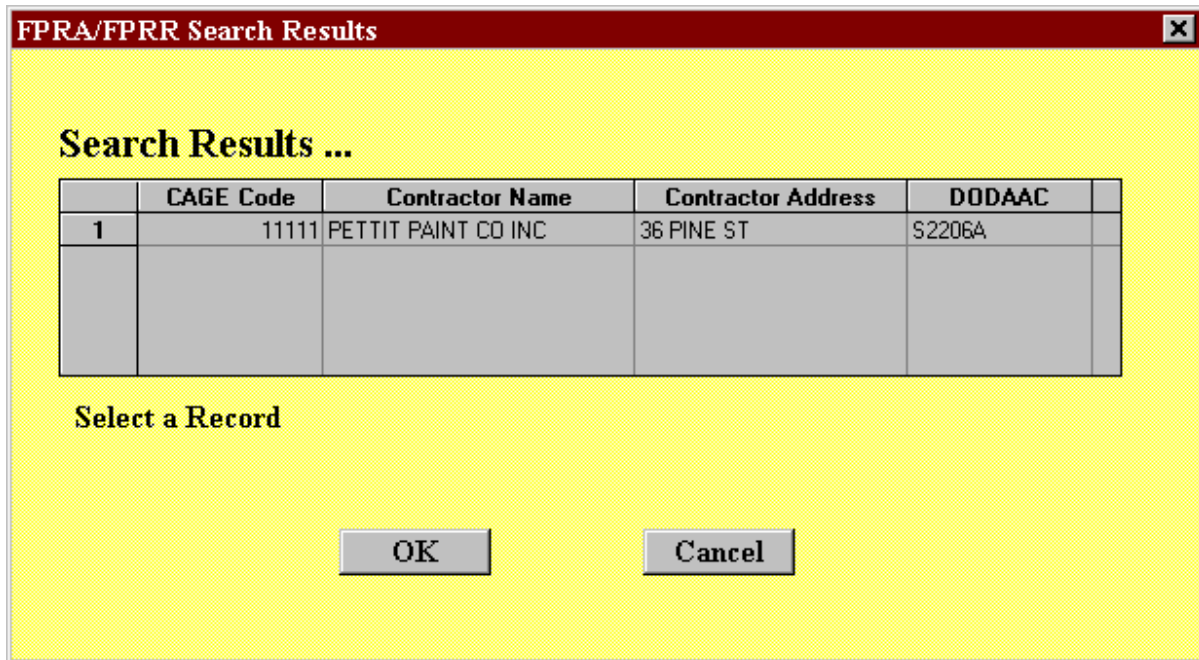


Figure 13.2 FPRA/FPRR Search Results Pop-Up Window

If no matching records are found a message window (Figure 13.3) will pop up on your monitor to inform you that “No data met your search criteria.” Click on **OK** to make this window disappear.



Figure 13.3 No Data...Pop-Up Window

New



If you want to add a new record, select New. (Click on New in the drop-down list of File options or click on the New icon.) The cursor appears in the CAGE code box ready for you to type in your information. Nothing else will happen until you enter this code.

13.2 FPRA/FPRR Screen 1

Screen 1 (Figure 13.4) is for information about the contractor, the ACO point of contact and the Buying Activity.

FPRA/FPRR (Screen 1 of 3)

File Edit Functions Administration Help

CAGE Code 13.2.1 Team 13.2.1.2 Contractor 13.2.1.3

CAO 13.2.1.4

CAO DoDAAC 13.2.1.5

ACO P.O.C. 13.2.1.6

ACO Phone 13.2.1.7

ACO DSN 13.2.1.8 District 13.2.1.9

Cost Monitor Site
☐ Yes ☐ No

Major Customer
☐ Army ☐ Air Force ☐ Navy ☐ NASA ☐ Other Govt

13.2.1.10 PCO DoDAAC 13.2.1.12

Buying Activity 13.2.1.13

Address 13.2.1.14

PCO Name 13.2.1.15

PCO Phone 13.2.1.16

PCO DSN 13.2.1.17

Sole Source ☐ Yes ☐ No

Previous Activity 13.2.1.11

Next Activity 13.2.1.18

Previous/Next Arrows

Delete Activity

Figure 13.4 FPRA/FPRR Screen 1

Note: Numbers in data boxes indicate corresponding section numbers.

13.2.1 Fields for FPRA/FPRR Screen 1

13.2.1.1 CAGE Code

Enter the 5-character Commercial and Government Entity (CAGE) Code which identifies the contractor/location. This is a required data element. If you have no CAGE number, enter information according to the following guidelines.

- For a Corporate Office, enter 0 (zero) plus the first four letters of the corporate name.
- For an Intermediate Group Office, enter 1 plus the first four letters of the corporate name.
- For a Service Center, enter 2 plus the first four letters of the corporate name.

- For a Defense Corporate Executive (DCE), enter 9 plus the first four letters of the corporation name.

If you enter a CAGE Code that does not exist, a pop-up window will give you the option of adding (inserting) the new Code. Click on **Yes** if you want to add the Code you typed. If you click **Yes**, the CAGE Code data box becomes a protected data box. (Click **No** to make this pop-up window disappear without adding the record.)

13.2.1.2 Team

This is for the Contracting Officer's DCMC Organization Code (up to 5 alpha characters). It is automatically populated based on the Username entered during the log-in procedure. However, if the information is incorrect, you can change it. For example, if the organization is DCMDW-GCWOA, enter GCWOA.

13.2.1.3 Contractor

These data boxes are for the name and address of the contractor associated with the CAGE Code (13.2.1.1). If you added a new CAGE Code (or if the information displayed is incorrect), you can add (or edit) the contractor information; otherwise, these are protected data boxes. Initiate action to correct the contractor information in MOCAS and annotate the corrections in the comment box on FPRA/FPRR screen 2 (13.4.1.8).

13.2.1.4 CAO

This protected data box is automatically populated with the Contract Administration Office (CAO) cognizant over the contractor's facility. The information displayed is based on the Username entered during the log-in procedure.

13.2.1.5 CAO DoDAAC

This protected data box is automatically populated with the Department of Defense Activity Address Code (DoDAAC) of the Contract Administration Organization (CAO) that has cognizance over the contractor's facility. The information displayed is based on the Username that was entered during the log-in procedure.

13.2.1.6 ACO P.O.C.

Enter the name (5—23 alpha characters) of the Administrative Contracting Officer Point of Contact (ACO P.O.C.) cognizant over FPR negotiations. This is a required data element.

13.2.1.7 ACO Phone

Enter the telephone number (10-26 digits) of the Administrative Contracting Officer Point of Contact (ACO). If you enter ten (10) digits, the number is automatically formatted as xxx-xxx-xxxx. If you enter 11-26 digits, the number appears exactly as you type it. This is a required data element.

13.2.1.8 ACO DSN

Enter the Defense Switched Network (DSN) number (7 or 10-15 digits) of the Administrative Contracting Officer Point of Contact (ACO). If you enter seven (7) digits, the number is

automatically formatted as xxx-xxxx. If you enter ten (10) digits, the number is automatically formatted as xxx-xxx-xxxx. If you enter 11-15 digits, the number appears exactly as you type it.

13.2.1.9 District

This protected data box is automatically populated with the DCMC district cognizant over the Contract Administration Office (CAO). Information displayed is based on the Username entered during the log-in procedure.

13.2.1.10 Cost Monitor Site

Indicate whether or not there is a cost monitor assigned to the contractor by selecting either the Yes circle or the No circle. This is a required data element.

13.2.1.11 Major Customer

Indicate the customer (Army, Air Force, NASA, Navy or Other Govt) associated with the PCO DoDAAC entry (13.2.1.12) by selecting its corresponding check box. Select all that apply.

13.2.1.12 PCO DoDAAC

Enter the 6-character Department of Defense Activity Address Code (DoDAAC) for the Procurement Contracting Officer (PCO). You can list up to five (5) top activities that will have contracts covered by the FPRA/FPRR. This is a required data element.

Activity Information

Enter the requested information for a Buying Activity. If you need to enter more than one activity, first enter the requested information for your first activity, and then click the down arrow (Next Activity). This action will present empty fields for you to enter the next activity. Repeat this procedure until you have entered up to five top activities. *Note: When you enter a PCO DoDAAC, you must enter information in all (except DSN, 13.2.1.17) empty data boxes in this section including, indicating (Yes or No) whether or not any deliverables for the displayed Buying Activity are Sole Source deliverables (13.2.1.18).*

If you want to see what Activities have been entered, use the Previous/Next arrows as follows. To see activities listed before the one currently displayed, click on the up arrow (Previous Activity). To see any activity listed after the one currently displayed, click on the down arrow (Next Activity).

If you want to delete an Activity, use the Previous/Next arrows to find the Activity that you want to delete if it is not already displayed. Then click on the **Delete Activity** button. When you click this button, the window shown in Figure 13.5 will pop up on your monitor. Click on **Yes** to delete or **No** not to delete.

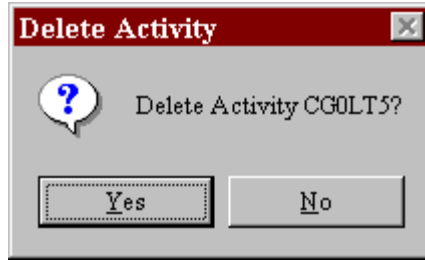


Figure 13.5 Delete Activity Pop-Up Window

To change information about an activity, use the Previous/Next arrows to find the activity you want to edit if it is not already displayed. When the information you want to change is displayed, move the cursor to the data box you want to edit and make the change(s). *Notes: You cannot change the Buying Activity Name and Address. However, this information will change if you enter a different PCO DoDAAC (13.2.1.12).*

13.2.1.13 Buying Activity

This protected data box is automatically filled based on the Procurement Contracting Officer (PCO) DoDAAC entered above (13.2.1.12).

13.2.1.14 Address

This protected data box is automatically filled based on the Procurement Contracting Officer (PCO) DoDAAC entered above (13.2.1.12).

13.2.1.15 PCO Name

Enter the name (5—28 alphanumeric characters) of the Procurement Contractor Officer (PCO). This is a required data element for all entered PCO DoDAACs (13.2.1.12).

13.2.1.16 PCO Phone

Enter the telephone number (10-26 digits) of the Procurement Contractor Officer (PCO). If you enter ten (10) digits, the number is automatically formatted as xxx-xxx-xxxx. If you enter 11-26 digits, the number appears exactly as you type it.

13.2.1.17 PCO DSN

Enter the Defense Switched Network (DSN) number (7 or 10-15 digits) of the Procurement Contractor Officer (PCO). If you enter seven (7) digits, the number is automatically formatted as xxx-xxxx. If you enter ten (10) digits, the number is automatically formatted as xxx-xxx-xxxx. If you enter 11-15 digits, the number appears exactly as you type it.

13.2.1.18 Sole Source

Select the Yes or No check box according to the following guidelines. If any deliverables for the Buying Activities listed by Procurement Contracting Officer (PCO) DoDAAC are sole source, select Yes. If they are not sole source, select No. Select a Sole Source designation for each PCO DoDAAC. This is a required data element for all entered PCO DoDAACs (13.2.1.12).

13.3 FPRA/FPRR Screen 2

Screen 2 (Figure 13.6) is for entering information about the FPRA/FPRR elements, monetary values, significant dates and general comments about the process/results.

Figure 13.6 FPRA/FPRR Screen 2

Note: Numbers by data fields indicate corresponding section numbers.

13.3.1 Fields for FPRA/FPRR Screen 2

13.3.1.1 CAGE Code

This protected data box is automatically filled with the CAGE Code entered on the previous screen (13.2.1.1).

FPRA/FPRR Elements, Check Box Section

Indicate (by selecting the corresponding check boxes) whether the cost elements—Overhead (O/H), Labor, General and Administrative (G&A) and Cost of Money (COM)—are part of Forward Pricing Rate Agreements (FPRA) or Forward Pricing Rate Recommendations (FPRR). See Sections 13.3.1.2 and 13.3.1.3 for explanations of FPRA and FPRR. *Note: The cursor position in this section is indicated by a dotted box around one of the small *'s.*

For each cost element (O/H, Labor, G&A, and COM), also indicate the type of agreement as being Standard (13.3.1.4), Tailored (13.3.1.5) or Continuous (13.3.1.6) by selecting the corresponding check boxes. Select a Type of Agreement only if FPRA or FPRR is selected.

13.3.1.2 FPRA

A Forward Pricing Rate Agreement (FPRA) is a formal agreement, supported by a price negotiation memorandum, and signed by the Administrative Contracting Officer (ACO) and the contractor. Indicate applicable cost elements and type of contract for an FPRA by selecting the corresponding check boxes.

13.3.1.3 FPRR

A Forward Pricing Rate Recommendation (FPRR) is a formalized recommendation signed by the Administrative Contracting Officer (ACO). Indicate applicable cost elements and type of contract for an FPRR by selecting the corresponding check boxes. *Notes: If FPRR is selected, you cannot select Continuous. This applies to all Cost Elements.*

13.3.1.4 Standard

Select the Standard check box if the agreement or recommendation is neither tailored nor continuous.

13.3.1.5 Tailored

Select the Tailored check box if the agreement or recommendation is limited, covering a group of contracts, subcontracts, contract modifications or other pricing actions designated by the Administrative Contracting Officer (ACO).

13.3.1.6 Continuous

Select the Continuous check box if the agreement has documented assumptions and a written, agreed to practice for tracking and handling rate variances to allow for continuous updates to FPRAs. *Note: You can check this box only for FPRA cost elements.*

FPRA/FPRR Elements, Data Box Section

13.3.1.7 Contractor Proposal

Enter the total dollar amount applicable to Government contracts (up to 12 digits, no cents) of the contractor's proposal for each checked cost element.

13.3.1.8 Cost Avoidance

Enter the difference between dollars proposed and dollars negotiated that are applicable to Government contracts (up to 12 digits, no cents) for each checked cost element. *Notes: If more than one FPRA/FPRR is executed within the contractor's calendar or fiscal year, do not pyramid the cost savings/avoidance by adding the total dollars saved of one proposal to the total dollars saved of subsequent proposals. If there are additional savings in subsequent proposals, replace the original savings with the new savings or adjust the original savings by*

adding the differences between the original savings and the new savings, whichever is most equitable.

13.3.1.9 Cost Savings/Prior Agreement

Enter in any additional dollar savings (up to 12 digits, no cents) for each checked cost element that are not included in FPRA/FPRR because separate agreements have been reached between the contractor and the ACO, and these savings are not included in the proposal.

13.3.1.10 Effective Date

Enter the effective date (MMDDYY format) of the FPRA/FPRR for each checked cost element.

13.3.1.11 Date Cancelled

Enter the date (MMDDYY format) on which an FPRA cost element is no longer effective. You cannot enter this date unless you entered the Effective Date (13.3.1.10). This date must be the same as or later than the Effective Date (13.3.1.10). (Date Cancelled \geq Effective Date)

13.3.1.12 Years Covered From

Enter the beginning year (YYYY format such as 1996) covered by the rate proposal agreement or recommendation for each checked cost element. If you enter a year here, you must also enter Years Covered To (13.3.1.13). *Notes: There are generally 3-5 years of projected rates. If the FPRA/FPRR is not yet completed, enter the expected first year.*

13.3.1.13 Years Covered To

Enter the last year (YYYY format such as 1996) covered by the rate proposal agreement or recommendation for each checked cost element. The Year To must be the same as or later than the Year From. (Year To \geq Year From.) If you enter a year here, you must also enter Years Covered From (13.3.1.12). *Notes: There are generally 3-5 years of projected rates. If the FPRA/FPRR is not yet completed, enter the expected last year.*

13.3.1.14 CY/FY

Select the circle in front of Calendar Year (CY) if the contractor's year ends on 12/31. Select the circle in front of Fiscal Year (FY) if the contractor's years ends on any date other than 12/31. This is a required data element.

13.3.1.15 Pricing Status

Select one of the following from the drop-down list for each checked cost element. This is a required data element.

- **New**, if the contractor has no prior FPRA/FPRR. Choose this if you are waiting for a first proposal.
- **Awaiting Proposal**, if in the period between a cancelled forward pricing rate agreement and the receipt of a new contractor proposal.
- **Review in Process**, if in the audit and prenegotiation period. If the contractor continues to update and provide new versions of the proposal during the review,

annotate the number of revisions and associated dates in the Comments box (13.3.1.20) at the bottom of screen 2.

- **Negotiation**, if in the period between receipt of DCAA audit report and prenegotiation fact-finding and the final meeting to agree or agree-to-disagree on forward pricing rates.
- **Awaiting Board of Review**, if in period between final negotiations and Board of Review recommendations.
- **Merger or Acquisition**, if an external merger or combination of companies which affect rates to the extent a forward pricing rate agreement is not obtainable.
- **Cancelled**, if you had an FPRA in effect, and it was cancelled.
- **Completed**, if an FPRA/FPRR is in effect. If you select Completed, you must enter the Effective Date (13.3.1.10).
- **Other**, if none of the above applies. If you select Other, you must include an explanation in the Comments box (13.3.1.20) at the bottom of screen 2.

Remaining Data Boxes

13.3.1.16 Cost Reduction Activity

Select the type of cost reduction activity undertaken by the contractor from the drop down list. This is a required data element. The choices in the list are as follows:

- **Aggressive** - Contractor has formal cost reduction programs in place and/or has signed up to PROCAS and works constructively with the Government to reduce costs.
- **Moderate** - Contractor has some cost reduction plans in place and/or participates in cost reduction initiatives with Government some of the time.
- **Minimal** - Contractor does not coordinate with Government or does not have any cost reduction plan in place.

13.3.1.17 Total Sales by Division

Enter the estimated annual total sales dollars (up to 12 digits, no cents) of the contractor's business unit for the Current Contractor Fiscal Year (13.3.1.18). This is a required data element. *Note: If your business unit does not collect sales data at your level, provide the data for the profit center which collects and reports the sales data. Identify the profit center name in the comments section.*

13.3.1.18 Current Contractor Fiscal Year

Enter the contractor's current fiscal year (YYYY format such as 1996). It must be between the year 1990 and the year 2099. This is a required data element.

13.3.1.19 Percent of Government Sales

Enter the Government sales percentage at your business segment or unit. This is a required data element. *Note: Do not use decimals; i.e., for 60%, enter 60, not .6.*

13.3.1.20 Comments

Type in any additional pertinent information (up to 50 alphanumeric characters). This is a required element if any of the following apply: there are contractor name and address (13.2.1.2) corrections; the Pricing Status is “Other” (13.3.1.15); there have been proposal revisions (13.3.1.15).

13.4 FPRA/FPRR Screen 3

This screen (Figure 13.7) is for entering information used to determine if it would be beneficial to have an FPRA at the contractor's site. The program will automatically designate the beneficial site status based on criteria established by DCMC.

Figure 13.7 FPRA/FPRR Screen 3 (Beneficial Sites)

Note: Numbers in data boxes indicate corresponding section numbers.

13.4.1 Fields for FPRA/FPRR Beneficial Sites Screen

13.4.1.1 CAGE Code

This protected data box is automatically populated with information carried forward from a previous page.

13.4.1.2 Contractor

These data boxes (protected) are automatically populated with information carried forward from a previous page.

13.4.1.3 CAO Organization Code

This protected data box is automatically populated with information carried forward from a previous page.

13.4.1.4 CAO DoDAAC

This data box is automatically populated with information carried forward from the previous page.

13.4.1.5 Volume of Pricing Actions

Enter the number (up to 4 digits) of Pricing Actions (spares, contract modifications or new procurements) that are normally negotiated during the contractor's calendar or fiscal year, plus the number of additional pricing actions you anticipate to be negotiated during a relevant fiscal/calendar year covered by the forward pricing rate proposal. *Note: This value should be representative of an annual number of pricing actions for which the forward pricing rate agreement would be effective. This includes all negotiated procurement pricing actions, even if the CAO is not involved. Data should be for a single year.*

13.4.1.6 Contract Value

Enter the total estimated dollar value of all Government prime and sub contracts which may be negotiated utilizing the FPRA/FPRR for a single year.

13.4.1.7 Beneficial Site Assessment

After you enter the Volume of Pricing Actions (13.4.1.5) and Contract Value (13.4.1.6), the Beneficial Site Assessment will either indicate "Yes" or "No." When filled in, the Yes and No radio buttons signify whether or not the contractor is a Beneficial Site.

If the ACO disagrees with the automatic assessment, the user can override the program by selecting the **Change Status** button. Any time the ACO decides to revert to the prior status, the **Change Status** button must again be selected. If you select the Change Status, you must enter the reason for changing the status in the Comments box (13.4.1.8) at the bottom of the Beneficial Sites screen. *Notes: Whenever you place the cursor in either the Volume of Pricing Actions (13.4.1.5) or Contract Value (13.4.1.6) data boxes, the system will again calculate the assessment when you attempt to perform another step (e.g., save the data or move to another data box). This may change the existing status—whether or not you changed the current values in either of these two fields.*

13.4.1.8 Comments

Type in explanatory comments for changing the Beneficial Site Assessment (13.4.1.7). This is a required data element whenever the **Change** Button is selected.